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Hearing Date and Time: February 14, 2019 at 10:00 a.m.

and

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**In re:**

**SEARS HOLDINGS CORPORATION, *et al.*,**

**Debtors.**

)  
) **Chapter 11**  
)  
) **Case No. 18-23538 (RDD)**  
)  
) **(Jointly Administered)**  
)

**DECLARATION OF CARLANDRA EDWARDS IN SUPPORT MOTION  
OF CERTAIN UTILITY COMPANIES TO DETERMINE ADEQUATE ASSURANCE  
OF PAYMENT PURSUANT TO SECTION 366(c) OF THE BANKRUPTCY CODE  
[Docket No. 1395]**

I, Carlandra Edwards, declare as follows:

1. I am Supervisor Legal Revenue Recovery for Commonwealth Edison Company  
("ComEd"), and I have been in that position for five months and with ComEd for seven years. In

my current position with ComEd, I assist in the credit and bankruptcy operations.

2. Except as otherwise stated, all facts contained within this Declaration are based upon personal knowledge, my review of ComEd's business documents, correspondence and relevant documents, or my opinion based upon my experience concerning the operations of ComEd. If called upon to testify, I would testify to the facts set forth in this Declaration.

3. On behalf of Com Ed, I submit this Declaration in support of the *Motion of Certain Utility Companies To Determine Adequate Assurance of Future Payment Motion* (the "Motion")(Docket No. 1395).

4. In making this Declaration, I am familiar with the contents of the Motion (Docket No. 1395), the *Motion of Debtors Requesting Entry of an Order (I) Approving Debtors' Proposed Form of Adequate Assurance of Payment To Utility Providers, (II) Establishing Procedures For Determining Adequate Assurance of Payment For Future Utility Services, and (III) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Utility Service* (the "Utility Motion")(Docket No. 196), and the *Order (I) Approving Debtors' Proposed Form of Adequate Assurance of Payment To Utility Providers, (II) Establishing Procedures For Determining Adequate Assurance of Payment For Future Utility Services, and (III) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Utility Service* (the "Utility Order")(Docket No. 461).

5. It is part of my job responsibility with ComEd to: (A) review customer accounts with ComEd; (B) address credit issues with ComEd's customers; and (C) address issues concerning customers that file for bankruptcy protection, including requests for adequate assurance of payment.

6. ComEd's relationship with the Debtors is governed by regulations and tariffs (the "ComEd Tariffs") that are on file with the Illinois Commerce Commission and can be obtained at:

Tariffs: <https://www.ComEd.com/customer-service/rates-pricing/rates-information/Pages/current-rates.aspx>

Regulations:

<http://www.ilga.gov/commission/jcar/admincode/083/08300280sections.html>

7. The ComEd Tariffs establish: (a) the amount of security that ComEd is entitled to seek from its customers under applicable state law; (b) that ComEd must bill the Debtors monthly; and (c) the billing and payment terms for all of ComEd's customers. Specifically, under the billing cycles established by the ComEd Tariffs, a customer receives approximately one month of utility goods and/or services before ComEd issues a bill for such charges, which is due on presentation. If payment is not made within two days of the invoice date, a late payment charge at the rate of one and one-half percent (1.5%) per monthly billing period is applied to the account. Service may be terminated upon a customer's failure to pay a bill for utility service within fourteen days from the date payment is due, but not until ComEd has provided the customer with written notice that is mailed to the customer at the premises where service is rendered and ten days to cure the payment default. Accordingly, a customer's account will not be terminated for non-payment of bills until at least sixty-six days after the service is provided.

8. ComEd provided the Debtors with utility goods and services prior to the Petition Date and continues to provide post-petition utility goods and services to the Debtors at the Debtors' accounts that are listed on the chart attached to this Declaration as **Exhibit "A."**

9. The information regarding ComEd's prepetition accounts with the Debtors is as follows:

A. ComEd maintained a surety bond in the amount of \$594,495 for Debtor Sears Roebuck and Company's ("Sears") accounts (the "ComEd Bond"). The final prepetition charges owed by Debtor Sears were in the amount of \$471,887.56, leaving a balance on the ComEd Bond of \$122,607.44.

B. The final prepetition amount owed by Debtor Kmart Corporation for billed and unbilled charges was \$128,451.70.

10. As adequate assurance of payment pursuant to section 366(c) of the Bankruptcy Code, ComEd is seeking a two-month cash deposit in the total amount of \$1,416,957. This amount is greater than Com Ed's original \$1,098,710 adequate assurance request set forth in the Motion because ComEd has located additional active Debtor accounts since the Motion was filed. The \$1,416,957 two-month cash deposit adequate assurance request can be paid as follows:

A. The \$122,607.44 balance of the ComEd Bond shall remain in place while Debtor Sears has unpaid charges owed to ComEd; and

B. The Debtors tender a cash payment to ComEd in the amount of \$1,294,349.56.

11. Pursuant to the ComEd Tariffs, Com Ed is entitled to seek adequate assurance of payment from the Debtors in the form of a two-month cash deposit in the amount of \$1,416,957 which are the amounts that ComEd is seeking from the Debtors in these cases for the remaining active post-petition accounts that the Debtors have with Com Ed.

12. ComEd is seeking a two-month deposit in this case because: (1) of the exposure created by its billing cycle; (2) the number of post-petition accounts still open in Debtor's name.

13. For its non-bankrupt customers, ComEd accepts security in the form of cash

deposits, letters of credit or surety bonds, which are forms of security maintained by ComEd.

14. Although ComEd does not want its post-petition security to be in the form of money maintained in the Adequate Assurance Account, if the Court were to hold that the security provided to ComEd is to be in that form, ComEd would ask that the Utility Order be amended to include the following additional provisions to ensure that the money held in the Adequate Assurance Account is sufficient in amount and would be available for payment of unpaid post-petition bills:

A. The amount for ComEd be increased to \$1,294,349.56, with the balance of ComEd's adequate assurance to come from maintaining the \$122,607.44 balance on the ComEd Bond in place while Debtor Sears has unpaid charges owed to ComEd, which amounts together represent a total of two times the average monthly bills for the active accounts that the Debtors have with ComEd.

B. The portion of the Adequate Assurance Deposit attributable to each Utility Provider shall be returned to the Debtors after the Debtors' payment in full of all postpetition obligations due and owing to the applicable Utility Provider, which the Debtors shall confirm in writing with the applicable Utility Provider.

C. The Debtors agree to pay all postpetition charges of the Utility Providers by the applicable due date of the invoice, which is a due date established in accordance with applicable state laws, regulations and/or tariffs.

D. If the Debtors fail to pay a utility bill when due (including the passage of any cure period), the relevant Utility Provider shall provide notice of such default to the Debtors, and if within five (5) business days of such notice, the bill is not paid, the Utility Provider may file an

application with the Court certifying that payment has not been made and requesting the amount due up to an aggregate maximum equal to the Adequate Assurance Deposit allocable to such Utility Provider.

E. Notwithstanding anything in the Motion, the Order or (i) the orders approving the Debtors' use of cash collateral and/or post-petition debtor-in-possession financing facilities (collectively, the “**DIP Orders**”); (ii) the other documentation governing the Debtors' use of cash collateral and postpetition financing facilities; and (iii) the Approved Budget (as defined in the DIP Orders) to the contrary, there shall be no liens on the amounts in the Adequate Assurance Account for the Utility Providers that are higher in priority to the Utility Providers' rights and interests in the amounts contained and allocated in the Adequate Assurance Account for the Utility Providers. Moreover, the amounts contained in the Adequate Assurance Account shall remain available to the Utility Providers for the payment of post-petition charges even if the Debtors cases are converted to cases under Chapter 7 of the Bankruptcy Code.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed this 6<sup>th</sup> day of February 2019, at Oak Brook, Illinois.

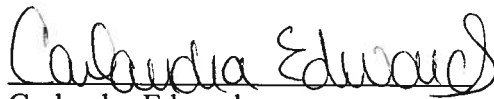
  
Carlandra Edwards

EXHIBIT A			
Account	Address	Pre-Petition	2 Month Req
1003	5000 SPRINGHILL MALL WEST DUNDEE IL 60118	\$ 14,933.20	\$ 26,048.70
1006	5407 TRILLIUM BLVD *UNIT 165 HOFFMAN ESTATES IL 60192	\$ 35.09	\$ 107.18
1007	7310 W 87TH ST BRIDGEVIEW IL 60455	\$ 2,660.82	\$ 4,145.22
1009	7200 E HARRISON AVE CHERRY VALLEY IL 61016	\$ 10,225.13	\$ 17,336.04
1024	0 S OAKTON ST, 1W LEE DES PLAINES IL 60018	\$ 330.10	\$ 527.72
1035	2901 E LINCOLNWAY AVE *UNIT H STERLING IL 61081	\$ 483.66	\$ 105.40
1062	1701 W FRONTAGE RD ROMEOVILLE IL 60446	\$ 771.85	\$ 2,160.48
2004	9215 GREENWOOD AVE NILES IL 60714	\$ 19,166.68	\$ 28,919.22
2007	2901 E LINCOLNWAY *UNIT K STERLING IL 61081	\$ 706.51	\$ 2,644.30
2035	1005 COMMERCE CT *UNIT C VERNON TWP IL 60089	\$ 426.55	\$ 592.70
2041	2901 E LINCOLNWAY AVE *UNIT BD1 STERLING IL 61081	\$ 116.60	\$ 349.88
2041	1310 VALLEY LAKE DR *UNIT 441 SCHAUMBURG IL 60195 - FINAL ACCT	\$ 3.41	\$ -
2102	117 CENTER AVE PLANO IL 60545 - ACCT FINAL	\$ 40.01	\$ 759.00
3001	3128 PLAINFIELD RD JOLIET IL 60435	\$ 15,354.12	\$ 23,268.32
3006	0 INVALID ADDRESS(SINGLE), IBS-0000254 AURORA IL	\$ 19,941.39	\$ 49,556.04
3008	1600 N RT 50 *UNIT 200 BRADLEY IL 60915	\$ 3,432.36	\$ 7,120.04
3023	1005 COMMERCE CT *UNIT K VERNON TWP IL 60089	\$ 163.55	\$ 219.16
3028	4201 N HARLEM AVE NORRIDGE IL 60706	\$ 17,540.75	\$ 20,828.04
3039	2901 E LINCOLNWAY AVE *UNIT BD2, 01 STERLING 61081	\$ 103.51	\$ 206.36
3049	2359 SYCAMORE RD DEKALB IL 60115	\$ 2,093.76	\$ 2,547.76
3104	16040 HARLEM AVE TINLEY PARK IL 60477	\$ 1,356.50	\$ 3,679.02
3134	2 WOODFIELDMALL SCHAUMBURG IL	\$ 21,255.98	\$ 48,376.60
4001	17355 TORRENCE AVE LANSING IL 60438	\$ 598.78	\$ 3,473.06
4003	904 STRATFORD SQUARE MALL BLOOMINGDALE IL 60108	\$ 13,886.50	\$ 21,904.66
4007	16300 HARLEM AVE TINLEY PARK IL 60477	\$ 2,435.53	\$ 6,904.32
4009	333 S SPRUCE ST MANTENO IL 60950	\$ 60,823.23	\$ 140,887.12
4010	1801 W JEFFERSON ST JOLIET IL 60435	\$ 24.25	\$ 123.48
4032	6136 GRAND AVE GURNEE IL 60031	\$ 12,157.79	\$ 25,715.70
4061	1701 W FRONTAGE RD *UNIT A ROMEOVILLE IL 60446	\$ 8,718.72	\$ 22,844.88
4194	2432 BATH RD ELGIN IL 60123	\$ 510.48	\$ 1,272.02
5002	6501 95TH ST CHICAGO RIDGE IL 60415	\$ 20,654.81	\$ 31,135.36
5005	1155 E OAKTON ST DES PLAINES IL 60018	\$ 8,068.75	\$ 15,783.42
5007	1321 SANDY HOLLOW RD ROCKFORD IL 61109	\$ 2,915.44	\$ 9,506.44
5008	3231 CHICAGO RD STEGER IL 60475	\$ 6,733.72	\$ 13,618.10
5009	7050 S PULASKI RD *UNIT SGN CHICAGO IL 60629	\$ 37.60	\$ 66.50
6003	1803 W JEFFERSON ST *UNIT SN JOLIET IL 60435	\$ 23.16	\$ -
6013	3333 BEVERLY RD HOFFMAN ESTATES IL 60192	\$ 177,133.28	\$ 595,898.90
6049	4022 FOX VALLEY CENTER DR AURORA IL 60504	\$ 77.85	\$ 298.70
7001	7200 W 79TH ST BRIDGEVIEW IL 60455	\$ 7,890.83	\$ 13,315.46
7003	7200 W 79TH ST BRIDGEVIEW IL 60455	\$ 1,240.75	\$ 2,335.92
7004	3501 W ADDISON ST CHICAGO IL 60618	\$ 7,789.46	\$ 17,266.58
7006	1600 BOUDREAU RD MANTENO TWP IL 60950	\$ 80,382.83	\$ 139,467.20
7024	1051 N SCHMIDT RD, FIRE PUMP ROMEOVILLE IL 60446- FINAL ACCT	\$ 0.36	\$ -
7025	8901 192ND ST *UNIT C MOKENA IL 60448	\$ 666.30	\$ 969.12
7148	1820 W LAWRENCE AVE *UNIT S CHICAGO IL 60640	\$ 12,671.49	\$ 1,512.10
7173	2428 BATH RD ELGIN IL 60123	\$ 4,209.60	\$ 9,038.10
8000	1801 W JEFFERSON ST JOLIET IL 60435	\$ 782.34	\$ 3,478.12
8002	4018 FOX VALLEY CENTER DR AURORA IL 60504	\$ 392.96	\$ 1,939.60
8005	1550 W LINCOLN HWY *UNIT 6045 NEW LENOX TWP IL 60451	\$ 1,541.62	\$ 3,988.36
8008	5909 E STATE ST ROCKFORD IL 61108	\$ 3,449.02	\$ 12,852.58
8009	1155 E OAKTON ST *UNIT SN DES PLAINES IL 60018	\$ 90.01	\$ 138.28
9000	7050 S PULASKI RD CHICAGO IL 60629	\$ 987.83	\$ 4,366.58
9007	2 HAWTHORN CTR VERNON HILLS IL 60061	\$ 13,522.77	\$ 30,906.34
9017	7329 W 79TH ST BRIDGEVIEW IL 60455	\$ 71.85	\$ 191.30
9035	2901 E LINCOLNWAY AVE *UNIT F, 01 STERLING IL 61081	\$ 58.68	\$ 123.98
9036	1510 VALLEY LAKE DR *UNIT 344 SCHAUMBURG IL 60195 - FINAL ACCT	\$ 7.69	\$ -
9036	1801 W NORMANTOWN RD *UNIT A ROMEOVILLE IL 60446	\$ 1,343.29	\$ 3,821.84
9090	1500 E HIGGINS *UNIT A ELK GROVE VIL IL 60007	\$ 481.16	\$ 1,607.84
9104	1766 NEW DOUGLAS RD OSWEGO IL 60543	\$ 425.99	\$ 1,161.16
^0001	2 RIVER OAKS W CALUMET CITY IL 60409	\$ 4,948.51	\$ 9,131.18
^0002	2905 BEVERLY RD HOFFMAN ESTATES IL 60192	\$ 2,300.43	\$ 8,611.32
^0004	4605 211TH ST, 01 MATTESON IL 60443	\$ 579.37	\$ 1,876.50
^0004	400 E ROLLINS RD ROUND LAKE BEACH IL 60073	\$ 2,674.80	\$ 8,085.24
^0006	6163 S WESTERN AVE CHICAGO IL 60636	\$ 3,825.89	\$ 8,265.54
^0016	7253 W 79TH ST BRIDGEVIEW IL 60455	\$ 1,416.53	\$ 2,071.14
^0048	1500 E HIGGINS RD *UNIT B ELK GROVE VILLAGE IL 60007	\$ 358.11	\$ 1,069.52
^0050	10004 S 76TH AVE *UNIT C-S BRIDGEVIEW IL 60455	\$ 287.32	\$ 436.48
		\$ 600,339.21	\$ 1,416,957.22